

**1832.502-4 Contract clauses.****1832.502-470 NASA contract clause.**

The contracting officer may insert a clause substantially as stated at 1852.232-82, Submission of Requests for Progress Payments, in fixed-price solicitations and contracts that provide for progress payments. The recipient of the requests and number of copies may be changed as required.

**1832.503 Postaward matters.****1832.503-5 Administration of progress payments. (NASA supplements paragraph (c).)**

(c)(i) If the contractor requests it and the contracting officer approving individual progress payments agrees, the administration of progress payments may be based on the overall contract agreement. Under this method, the contractor must include a supporting schedule with each request for a progress payment. The schedule should identify the costs applicable to each order.

(ii) The contracting officer may treat a group of orders as a single unit for administration of progress payments if each order in the group is subject to a uniform liquidation rate and under the jurisdiction of the same payment office.

[65 FR 31102, May 16, 2000]

**1832.504 Subcontracts. (NASA supplements paragraph (c))**

(c) Unusual progress payments to subcontractors shall be approved in accordance with 1832.501-2.

**Subpart 1832.7—Contract Funding****1832.702 Policy.****1832.702-70 NASA policy.**

(a) Cost-reimbursement contracts may be incrementally funded only if all the following conditions are met:

(1) The total value of the contract (including options as defined in FAR Subpart 17.2) is—

(i) \$500,000 or more for R&D contracts under which no supplies are deliverable; or

(ii) \$1,000,000 or more for all other contracts.

(2) The period of performance exceeds one year.

(3) The funds are not available to fund the total contract value fully at award.

(4) Initial funding of the contract is \$100,000 or more.

(b) Fixed-price contracts, other than those for research and development, shall not be incrementally funded.

(c)(1) Fixed-price contracts for research and development may be incrementally funded if the conditions of 1832.702-70(a)(1) through (4) are met and the initial funding of the contract is at least 50 percent of the total fixed price.

(2) Incrementally funded fixed-price contracts shall be fully funded as soon as adequate funding becomes available.

(d) Except for a modification issued to fully fund a contract, incremental funding modifications shall not be issued for amounts totaling less than \$25,000.

(e) Except for a modification issued to close out a contract, modifications deobligating funds shall not be issued for amounts totaling less than \$25,000.

(f) The procurement officer, with the concurrence of the installation Comptroller, may waive any of the conditions set forth in paragraphs 1832.702-70(a) through (e). The procurement officer shall maintain a record of all such approvals during the fiscal year.

(g) A class deviation from the conditions set forth in paragraphs 1832.702-70(a) through (e) exists to permit incremental funding of contracts under Phase II of the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. This deviation exists with the understanding that the contracts will be fully funded when funds become available.

[67 FR 7619, Feb. 20, 2002]

**1832.704 Limitation of cost or funds.****1832.704-70 Incrementally funded fixed-price contracts.**

(a) Upon receipt of the contractor's notice under paragraph (c)(1) of the clause at 1852.232-77, Limitation of Funds (Fixed Price Contract), the contracting officer shall promptly provide written notice to the contractor that the Government is—